

Endowment Fund Investment Board

STARS Number & Budget Unit: 322 LABA, 322 LABB(Cont)

Bill Number & Chapter: H258 (Ch.146), S1227 (Ch.334)

PROGRAM DESCRIPTION: Through active management of the endowment funds, the State Insurance Fund, and the Judges' Retirement Fund, the Endowment Fund Investment Board provides growth of principal to the funds and increased income to the funds' beneficiaries. [Idaho Code, §57-718]

DIVISION SUMMARY:	FY 2006 Total Appr	FY 2006 Actual	FY 2007 Total Appr	FY 2008 Request	FY 2008 Gov Rec	FY 2008 Approp
BY FUND SOURCE						
General	0	0	0	15,300	0	0
Dedicated	574,800	508,700	627,800	625,400	637,500	639,400
Total:	574,800	508,700	627,800	640,700	637,500	639,400
Percent Change:		(11.5%)	23.4%	2.1%	1.5%	1.8%
BY EXPENDITURE CLASSIFICATION						
Personnel Costs	360,700	303,600	374,800	391,900	391,500	393,400
Operating Expenditures	206,600	193,900	242,600	242,800	240,000	240,000
Capital Outlay	7,500	11,200	10,400	6,000	6,000	6,000
Total:	574,800	508,700	627,800	640,700	637,500	639,400
Full-Time Positions (FTP)	4.00	4.00	4.00	4.00	4.00	4.00

In accordance with Section 67-3519, Idaho Code, this division is authorized no more than 4 full-time equivalent positions at any point during the period July 1, 2007 through June 30, 2008 for the programs specified.

DECISION UNIT SUMMARY:	FTP	General	Dedicated	Federal	Total
FY 2007 Original Appropriation	4.00	0	627,800	0	627,800
Removal of One-Time Expenditures	0.00	0	(10,400)	0	(10,400)
FY 2008 Base	4.00	0	617,400	0	617,400
Benefit Costs	0.00	0	1,900	0	1,900
Inflationary Adjustments	0.00	0	700	0	700
Replacement Items	0.00	0	3,500	0	3,500
Statewide Cost Allocation	0.00	0	(3,300)	0	(3,300)
Change in Employee Compensation	0.00	0	16,700	0	16,700
FY 2008 Maintenance (MCO)	4.00	0	636,900	0	636,900
1. Adjust Budget between Funds	0.00	0	0	0	0
3. Board Room Furniture	0.00	0	2,500	0	2,500
5. Escheated Estates S1227	0.00	351,500	0	0	351,500
Transfer to Public School Perm Fund	0.00	(351,500)	0	0	(351,500)
FY 2008 Total Appropriation	4.00	0	639,400	0	639,400
% Change From FY 2007 Original Approp.	0.0%		1.8%		1.8%

APPROPRIATION HIGHLIGHTS: Benefit costs were adjusted to restore one medical insurance premium holiday and seven life insurance premium holidays. JFAC also stipulated that increases in health insurance costs be paid from reserves. Inflationary increases were provided for some contractual obligations. Replacement items included \$3,500 for two computers and a file cabinet. Statewide cost allocation included a reduction of \$1,800 for Attorney General fees and a reduction of \$1,500 for State Controller fees. The Change in Employee Compensation was funded at 5%. Line item #1 shifted \$71,000 from the State Insurance Fund to the Endowment Administrative Fund and reflects a change in the methodology for assigning administrative costs among the funds administered from amount invested to man-hours spent on the funds under management. Line item #3 provided \$2,500 in spending authority for board room furniture.

LEGISLATIVE INTENT: The appropriation bill provided for continuous spending authority for consulting fees, bank custodial fees, and portfolio-related external costs for FY2008. The appropriation bill also included confirmation of the amounts the EFIB intends to transfer to the beneficiaries for FY 2008 amounting to \$38,617,000.

OTHER LEGISLATION: S1098 changed the distribution of certain unclaimed property from the General Fund to the Public School Permanent Endowment Fund beginning July 1, 2007. S1227 trailed S1098 and transferred \$351,500 from the General Fund to the Public School Permanent Endowment Fund to compensate for those escheated estates that were improperly transferred to the General Fund over the last eleven years.

FY 2008 APPROPRIATION:	FTP	Pers. Cost	Oper Exp	Cap Out	T/B Pymnts	Lump Sum	Total
D 0349-00 Miscellaneous Rev	1.20	77,700	46,400	0	0	0	124,100
OT D 0349-00 Miscellaneous Rev	0.00	0	0	1,300	0	0	1,300
D 0482-70 Endowment Admin.	2.80	315,700	193,600	0	0	0	509,300
OT D 0482-70 Endowment Admin.	0.00	0	0	4,700	0	0	4,700
Totals:	4.00	393,400	240,000	6,000	0	0	639,400